UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/645,722	08/20/2003	Kenneth Algiene	020375-038110US	8172

20350   7590   07/22/2008
TOWNSEND AND TOWNSEND AND CREW, LLP
TWO EMBARCADERO CENTER
EIGHTH FLOOR
SAN FRANCISCO, CA 94111-3834

EXAMINER
PRESTON, JOHN O

ART UNIT	PAPER NUMBER
3691	

MAIL DATE	DELIVERY MODE
07/22/2008	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

	Application No.	Applicant(s)
Office Action Summary	10/645,722	ALGIENE ET AL.
	Examiner	Art Unit	
	JOHN O. PRESTON	3691	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE *3* MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *12 May 2008*.
2a)☒ This action is **FINAL**. 2b)☐ This action is non-final.
3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-17 and 19-21* is/are pending in the application.
    4a) Of the above claim(s) _____ is/are withdrawn from consideration.
5)☐ Claim(s) _____ is/are allowed.
6)☒ Claim(s) *1-17 and 19-21* is/are rejected.
7)☐ Claim(s) _____ is/are objected to.
8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.
10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.
    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
    a)☐ All b)☐ Some * c)☐ None of:
      1.☐ Certified copies of the priority documents have been received.
      2.☐ Certified copies of the priority documents have been received in Application No. _____.
      3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1)☒ Notice of References Cited (PTO-892)
2)☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3)☐ Information Disclosure Statement(s) (PTO/SB/08)
    Paper No(s)/Mail Date _____.
4)☐ Interview Summary (PTO-413)
    Paper No(s)/Mail Date. _____ .
5)☐ Notice of Informal Patent Application
6)☐ Other: _____ .

DETAILED ACTION

1.   Claims 1-17 and 19-21 are presented for examination. Applicant filed an amendment on May 12, 2008. Claim 18 was canceled. Claims 1, 5, 8-10, 14, 19, and 20 have been amended. Since the new grounds of rejection were necessitated by applicant's amendment of the claim(s), the rejection of claims 1-17 and 19-21 is a final rejection of the claim(s).

Response to Arguments

2.   Applicant's arguments filed May 12, 2008 have been fully considered but are moot in view of the new ground(s) of rejection.

Claim Rejections - 35 USC § 103

3.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

The factual inquiries set forth in *Graham* **v.** *John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1.   Determining the scope and contents of the prior art.

2.   Ascertaining the differences between the prior art and the claims at issue.

3.   Resolving the level of ordinary skill in the pertinent art.

4.   Considering objective evidence present in the application indicating obviousness or nonobviousness.

4.   Claim 1 rejected under 35 U.S.C. 103(a) as being unpatentable over Chien (US 2001/0054003

A1).

Claim 1:   Chien teaches the following limitation(s):

- *a microprocessor based device communicably coupled to a communication network;* (See at least Chien: page 4, pgh 33)

- *a computer readable medium associated with the microprocessor based device,* (See at least Chien: pg 4, pgh 33) *wherein the computer readable medium includes instructions executable by the microprocessor based device to:*

- *receive a request for a first interface from a bid device;* (See at least Chien: pg 2, pgh 13)

- *serve the first interface to the bid device across the communication network, wherein the first interface is operable to receive a first input;* (Chien, page 2, paragraph 13)

- *receive a request for a second interface from a redemption device;* (Chien, page 6, paragraph 49: the system and method refers to a computer used as a redemption device);

- *serve the second interface to the redemption device across the communication network, wherein the second interface is operable to receive a second input;* (Chien, page 7, paragraphs 50-51: participant connects to website through a communication network);

- *allocate at least a portion of an elective balance to a redemption category based at least in part on the second input;* (Chien, page 7, paragraph 52)

- *calculate a redemption amount by multiplying the portion of the elective balance by the first input,* (Chien, page 7, paragraph 52)

Chien does not explicitly teach the limitation *wherein the redemption amount is of a same unit of measurement as the elective balance.* However, it would have been obvious to one of ordinary skill in the art at the time of the invention to modify the method of Chien so that the redemption amount and the elective balance would share the same unit of measure because the modification would provide the benefit of increased opportunities to expand product choice for consumers (See at least Chien: pg 1, pgh 7).

Claim 2:   Chien teaches the limitation(s) as shown in the rejection of claim 1. Chien further teaches the following:

- *the first input is a bid premium.* (Chien, page 2, paragraph 13).

Claim 3:   Chien teaches the limitation(s) as shown in the rejection of claim 1. Chien further teaches the following:

- *receive a request for a third interface;* (Chien, page 7, paragraph 52)

- *serve the third interface to the redemption device, wherein the third interface is operable to receive a third input;* (Chien, page 7, paragraph 54)

- *deduct an amount corresponding to the third input from the redemption amount,* (Chien, page 7, paragraph 54)

- *reduce the elective balance by an amount corresponding to the third input divided by the first input.* (Chien, page 7, paragraph 52)

Claim 4:   Chien teaches the limitation(s) as shown in the rejection of claim 1. Chien further teaches the following:

- *the redemption category is selected from a group consisting of: cash, a retail outlet, vacation time, additional sick days, and a service provider.* (Chien, page 6, paragraph 50)

Claim 5:   Chien teaches the limitation(s) as shown in the rejection of claim 1. Chien further teaches the following limitation:

- *receive a request for a third interface from a second bid device* (Chien, page 2, paragraph 13);

- *serve the third interface to the second bid device across the communication network, wherein the third interface is operable to receive a third input* (Chien, page 2, paragraph 13);

- *allocate a second portion of the elective balance to a second redemption category based at least in part on the fourth input* (Chien, page 7, paragraph 52); and

- *calculate a second redemption amount by multiplying the second portion of the elective balance by the third input* (Chien, page 7, paragraph 52).

Claim 6:   Chien teaches the limitation(s) as shown in the rejection of claim 1. Chien further teaches the following:

- *allocate a remaining portion of the elective balance to a second redemption category* (Chien, page 7, paragraph 52).

Claim 7:   Chien teaches the limitation(s) as shown in the rejection of claim 6. Chien further teaches the following:

- *the first redemption category is selected from a group consisting of: a retail outlet, vacation time, additional sick days, and a service provider* (Chien, page 6, paragraph 50).

Claim 8:   Chien teaches the limitation(s) as shown in the rejection of claim 7. Chien further teaches the following:

- *a second redemption category is cash.* (Chien, page 2, paragraph 15).

Claim 9:   Chien teaches the following limitation(s):

- *providing a first interface to a bid device across a communication network;* (Chien, page 2, paragraph 13);

- *receiving a bid premium via the first interface;* (Chien, page 2, paragraph 13);

- *providing a second interface to a redemption device;* (Chien, page 7, paragraphs 50-51: participant connects to website through a network);

- *calculating a redemption amount by multiplying the elective balance by the percentage of the elective balance and the bid premium.* (Chien, page 7, paragraph 52).

Chien does not explicitly teach the limitation of *receiving a percentage number, wherein the percentage number represents a percentage of an elective balance via the second interface, wherein the percentage of the elective balance is associated with a redemption category.* However, it would have been obvious to one of ordinary skill in the art at the time of the invention to modify the method of Chien by incorporating said limitation because the modification would provide the benefit of an increased incentive for consumers to redeem awarded points for the product of their choice (See at least Chien: pg 1, pgh 7).

Claim 10:   Chien teaches the limitation(s) as shown in the rejection of claim 9. Chien further teaches the following limitation:

- *providing a third interface to a second bid device across the communication network* (Chien, page 2, paragraph 13);

- *receiving a second bid premium from the second bid device, wherein the second bid premium is associated with a second redemption category* (Chien, page 2, paragraph 13);

Chien does not explicitly teach the limitation of *receiving a second percentage number, wherein the second percentage number represents a second percentage of the elective balance from the redemption device, wherein the second percentage of the elective balance is associated with the second redemption category.* However, it would have been obvious to one of ordinary skill in the art at the time of the invention to modify the method of Chien to incorporate said limitation because the modification would provide the benefit of

an increased incentive for consumers to redeem awarded points (See at least Chien: pg 1, pgh 7).

Claim 11:   Chien teaches the limitation(s) as shown in the rejection of claim 10. Chien further teaches the following:

- *calculating a second redemption amount by multiplying the elective balance by the second percentage of the elective balance and the second bid premium* (Chien, page 7, paragraph 52).

Claim 12:   Chien teaches the limitation(s) as shown in the rejection of claim 9. Chien further teaches the following:

- *allocating a remaining portion of the elective balance to cash.* (Chien, page 2, paragraph 15).

Claim 13:   Chien teaches the limitation(s) as shown in the rejection of claim 9. Chien further teaches the following limitation:

- *the redemption category is selected from a group consisting of: cash, a retail outlet, vacation time, additional sick days, and a service provider* (Chien, page 6, paragraph 50).

Claim 14:   Chien teaches the following limitation(s):

- *providing an identification interface to a redemption device across a communication network* (Chien, pages 6-7, paragraph 50);

- *receiving an identification via the identification interface, wherein the identification indicates an elective account* (Chien, pages 6-7, paragraphs 50-51);

- *accessing a balance associated with the elective account* (Chien, page 7, paragraph 51);

- *providing an account interface including the balance to the redemption device via the communication network* (Chien, page 7, paragraph 51); *and*

- *receiving an allocation selection from the redemption device, wherein the allocation selection indicates an amount of the balance to be associated with a redemption category* (Chien, page 7, paragraph 52).

Chien does not explicitly teach the limitations of *providing a bid premium interface to a bid device via the communication network, wherein the bid premium interface comprises bid premiums of a plurality of redemption categories; receiving a bid premium from the bid device, wherein the bid premium is associated with the redemption category; and calculating a redemption amount based at least in part on the bid premium.* However, it would have been obvious to one of ordinary skill in the art at the time of the invention to modify the method of Chien with said limitations above because the modification would provide the benefit of making incentive programs more attractive to consumers and expanding the product choices for loyalty program participants (See at least Chien: pg 1, pgh 7).

Claim 15:   Chien teaches the limitation(s) as shown in the rejection of claim 14. Chien further teaches the following:

- *associating the amount of the balance with the redemption category* (Chien, page 7, paragraph 51); and

- *updating the account interface to indicate the amount of the balance associated with the redemption category* (Chien, page 7, paragraph 52).

Claim 16:   Chien teaches the limitation(s) as shown in the rejection of claim 15. Chien further teaches the following:

- *the redemption category is selected from a group consisting of: cash, a retail outlet, vacation time, additional sick days, and a service provider* (Chien, page 6, paragraph 50).

Claim 17:   Chien teaches the limitation(s) as shown in the rejection of claim 15. Chien further teaches the following:

- *allocating a remaining portion of the balance to cash* (Chien, page 3, paragraph 15); *and*

- *the redemption category is selected from a group consisting of: a retail outlet, vacation time, additional sick days, and a service provider* (Chien, page 6, paragraph 50).

Claim 19:   Chien teaches the limitation(s) as shown in the rejection of claim 14.   Chien further teaches the following:

- *wherein the amount of the balance is a percentage of the balance* (Chien, page 7, paragraph 52), *and*

- *wherein calculating the redemption amount comprises: multiplying the balance by the percentage of the balance and the bid premium* (Chien, page 7, paragraph 52).

Claim 20:   Chien teaches the limitation(s) as shown in the rejection of claim 14.   Chien further teaches the following:

- *providing a second bid premium interface to a second bid device via the communication network* (Chien, page 2, paragraph 13);

- *receiving a second bid premium from the second bid device, wherein the second bid premium is associated with a second redemption category* (Chien, page 2, paragraph 13); *and*

- *receiving a second allocation selection from the redemption device, wherein the second allocation selection indicates a second amount of the balance to be associated with the second redemption category* (Chien, page 7, paragraph 52).

Claim 21:   Chien teaches the limitation(s) as shown in the rejection of claim 20.   Chien further teaches the following:

- *calculating a second redemption amount based at least in part on the balance, the second bid premium, and the second allocation selection* (Chien, page 7, paragraph 52).

Conclusion

5. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

6. A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event of a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

7. Any inquiry concerning this communication or earlier communications from the examiner should be directed to John Preston, whose telephone number is (571) 270-3918. The examiner can normally be reached on Monday to Friday from 9:00 AM to 5:00 PM.

/John O Preston/

Examiner, Art Unit 3691

July 8, 2008

/Alexander Kalinowski/

Supervisory Patent Examiner, Art Unit 3691